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## A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY TECHNOLOGIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1.   Section 235-12.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3           "(a)   When the requirements of subsection (c) are met, each  
4 individual or corporate taxpayer that files an individual or  
5 corporate net income tax return for a taxable year may claim a  
6 tax credit under this section against the Hawaii state  
7 individual or corporate net income tax.   The tax credit may be  
8 claimed for every eligible renewable energy technology system  
9 that is installed and placed in service in the State by a  
10 taxpayer during the taxable year.   This credit shall be  
11 available for systems installed and placed in service in the  
12 State after June 30, 2003.   The tax credit may be claimed as  
13 follows:

14           (1)   Solar thermal energy systems for:

15                   (A)   Single-family residential property [~~for which a~~  
16                           ~~building permit was issued prior to January 1,~~  
17                           2010]:   thirty-five per cent of the actual cost  
18                           or \$2,250, whichever is less;



- 1           (B) Multi-family residential property: thirty-five
- 2                   per cent of the actual cost or \$350 per unit,
- 3                   whichever is less; and
- 4           (C) Commercial property: thirty-five per cent of the
- 5                   actual cost or \$250,000, whichever is less;
- 6       (2) Wind-powered energy systems for:
- 7           (A) Single-family residential property: twenty per
- 8                   cent of the actual cost or \$1,500, whichever is
- 9                   less;
- 10          (B) Multi-family residential property: twenty per
- 11                   cent of the actual cost or \$200 per unit,
- 12                   whichever is less; and
- 13          (C) Commercial property: twenty per cent of the
- 14                   actual cost or \$500,000, whichever is less; and
- 15       (3) Photovoltaic energy systems for:
- 16           (A) Single-family residential property: thirty-five
- 17                   per cent of the actual cost or \$5,000, whichever
- 18                   is less;
- 19          (B) Multi-family residential property: thirty-five
- 20                   per cent of the actual cost or \$350 per unit,
- 21                   whichever is less; and



1           (C) Commercial property: thirty-five per cent of the  
 2                           actual cost or \$500,000, whichever is less;  
 3 provided that multiple owners of a single system shall be  
 4 entitled to a single tax credit; and provided further that the  
 5 tax credit shall be apportioned between the owners in proportion  
 6 to their contribution to the cost of the system.

7           In the case of a partnership, S corporation, estate, or  
 8 trust, the tax credit allowable is for every eligible renewable  
 9 energy technology system that is installed and placed in service  
 10 in the State by the entity. The cost upon which the tax credit  
 11 is computed shall be determined at the entity level.  
 12 Distribution and share of credit shall be determined pursuant to  
 13 section 235-110.7(a)."

14           SECTION 2. Statutory material to be repealed is bracketed  
 15 and stricken.

16           SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:           *Calvin H. Ay*            
 BY REQUEST  
 JAN 28 2009



**Report Title:**

Renewable Energy Technologies; Income Tax Credit

**Description:**

Removes restriction on income tax credit for solar thermal energy systems installed in single-family residential dwellings.

